



SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

LABOR FORCE & EMPLOYMENT

The Seaport area, which includes both Nez Perce County in Idaho and Asotin County in Washington, is the perennial growth center of North Central Idaho. Total employment in Seaport decreased 2.4 percent in 2000 after five years of solid but slow growth. The civilian labor force also decreased 2.3 percent in 2000, after cruising along at a five-year average of 2.0 percent. The annual average unemployment rate of 3.8 percent in 2000 has been one of the lowest in the state, but negative developments in the last half of 2000 and 2001 will see the unemployment rate increase.

During the first six months of 2000, 296 jobs were lost in *Manufacturing*. Layoffs occurred in *Food Processing*, *Lumber and Wood Products*, *Paper and Allied Products* and *Metal Fabrication*. Additional layoffs are anticipated in *Lumber and Wood Products* and *Paper and Allied Products* in 2001. Because of these layoffs, the low unemployment rate is not an accurate picture of the condition of the labor market. Layoffs occurring in high wage manufacturing jobs will have a profound effect on reducing the amount of dollars in the general economy. In addition, the loss of *Manufacturing* payroll will produce a rippling affect of cutbacks across *Retail* and *Service* industries. Another problem has been that between 1997 and 1999, a majority of the new jobs were created in the *Service* and *Trade* industries. These jobs reduced the unemployment rate but the jobs were usually part-time with no benefits and near the bottom of the wage ladder. Workers in these part time jobs are counted as employed even though they are looking for full-time opportunities. As a result, a large pool of underemployed workers was created. Underemployed workers are

Seaport Table 1: Labor Force & Employment

Nez Perce County, Idaho and Asotin County, Washington	Projected 2000	1999	% Change From Last Year
INDIVIDUALS BY PLACE OF RESIDENCE			
Civilian Labor Force	34,636	35,456	-2.3
Unemployed	1,323	1,337	-1.0
% of Labor Force Unemployed	3.8%	3.8%	0.0%
Total Employment	33,313	34,119	-2.4
JOBS BY PLACE OF WORK			
Nonfarm Payroll Jobs**	25,420	25,991	-2.2
Goods-Producing Industries	5,140	5,436	-5.4
Mining	1,239	1,320	-6.1
Construction	3,901	4,116	-5.2
Manufacturing	111	179	-38.0
Lumber & Wood Products	712	778	-8.4
All Other Manufacturing	1,759	1,825	-3.6
Service-Producing Industries	1,319	1,334	-1.1
Transportation	20,280	20,555	-1.3
Communication & Utilities	1,369	1,339	2.3
Wholesale Trade	261	287	-9.0
Retail Trade	1,110	1,109	0.1
Finance, Insurance & Real Estate	5,102	5,221	-2.3
Services	1,418	1,443	-1.7
Government Administration	6,952	7,049	-1.4
Government Education	1,790	1,802	-0.7
	2,278	2,307	-1.2

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

generally seeking full-time employment with benefits and wages above \$7.00 per hour. Counting these workers as employed reduces the unemployment rate but hides a growing problem.

Employment in *Nonfarm Payroll Jobs* decreased to 25,420 in 2000. Although growth in urban economies throughout the state has slowed, expansion of the economy of the Seaport area has stopped and is decreasing. Only *Transportation* and *Health Services* created new jobs in 2000. The number of jobs in *Transportation* increased in the trucking sector throughout the year, as three trucking companies added new workers. Although *Services* recorded decreases, jobs in the health care sector of *Services* are at record levels. An expanding group of new health care professionals continue to move into the area. Only one major development, a large Convergys customer service center with 400 to 500 jobs, is planned for Lewiston in 2001. However, this development will be overshadowed by decreases in most other industries.

Employment diversity has increased from a traditional resource-based economy, but *Manufacturing* losses still affect the total economy and business attitude. In *Agriculture*, cattle producers welcomed the news of a gradual upswing in the cattle market. However, wheat and other small grain growers are concerned with low prices for their products. *Agriculture* employment has dropped 30.7 percent since 1987. The Port of Lewiston, Idaho's only seaport, has played a major role in economic development. Because of concerns regarding endangered salmon runs, the future of the Port is in question. Nonetheless, the Port is a major economic player and could be a bright spot. New warehouses have been built in the Port to utilize road, rail, and water transportation.

Clearwater County

Total employment in 2000 is forecast to decrease 1.0 percent in Clearwater County. Since 1996, employment growth has been fragile. Over the five-year span between 1996 and 2000 employment decreased 2.8 percent. Clearwater County has not shared in the state's prosperity. As employment was decreasing in Clearwater County, employment in the state expanded by over 9.0 percent. Clearwater County in 2000 had the second highest unemployment rate at 12.5 percent among the 44 Idaho counties. Employment decreases reflect that business is suffering from cutbacks in two major employment industries, *Lumber & Wood Products* and the *U.S. Forest Service*, causing concern for the county's economic future.

Clearwater County depends on natural resources to drive its economy. Employment in the two major industries, *Government* and *Manufacturing*, especially in *Lumber & Wood Products*, has decreased 49 percent since 1980. Local sawmills in 2000 experienced wood shortages and a drop in wholesale prices for lumber and plywood. Potlatch Corporation's Jaype Plywood Mill in Pierce closed, and other mills in the county have had to temporarily lay off workers. Because employment has decreased, local groups are trying to diversify the local economy. Along with trying to attract new business, attention is being given to existing businesses to help them grow and create new jobs. In 2000, two employment sectors—*Other Manufacturing* and *Health Care*—produced new jobs. Summer tourism was up in 2000 and is expected to grow through 2004 as people from all over the country visit the county to commemorate the bicentennial of the Lewis and Clark expedition. The scenic Lolo portion of the trail ending near Pierce has become a popular spot.

In addition to layoffs in *Lumber* and *Wood Products*, two other developments are cause for concern. The first is the resolution of the salmon issue and how it

will impact tourism and the Dworshak Dam. The Dworshak Reservoir and the Clearwater River provide recreational activities for residents and tourists. The second is the continuing cutbacks in U.S. Forest Service permanent and seasonal staff for the Clearwater National Forest.

Idaho County

Total employment is forecast to decrease 1.4 percent in 2000 in Idaho County. The economy has lost over 300 jobs from the 1994 record of 5,941. The 1996 closure of a major sawmill in Grangeville was expected to decrease employment even more. But other employment sectors in *Retail Trade* and *Service* industries created new jobs in spite of the closure, an indicator of a diversifying economy. In addition to losses in lumber, jobs in *Government* decreased because of cutbacks at the U.S. Forest Service. Another important employment industry that has decreased, *Agriculture*, is just one-third of what it was 20 years ago.

As in Clearwater County the economy in Idaho County is also heavily dependent on natural resources. *Lumber & Wood Products* employment is a large part of the labor force (11.8 percent). After years of decline, the number of jobs in *Lumber & Wood Products* continued to decrease in 2000. Temporary layoffs occurred in some area sawmills in the last half of 2000. Layoffs lasted between one and four weeks. On the plus side, *Industrial Machining* continues to be a strong sector. Local machining companies in the Grangeville and Cottonwood areas have gained national attention and are receiving orders from all over the country. According to whitewater and rafting guides on the Lochsa, Snake, and Salmon rivers, business increased in 1999 and the first half of 2000. Business would have been better had it not been for a bad forest fire season that caused some to cancel vacations to the area. Economic groups in Idaho County are encouraging development of a strawboard manufacturing plant. Strawboard is an attractive alternative to more expensive plywood used in the construction of furniture and houses. In addition to a manufacturer, economic groups are trying to hook a customer service center.

Latah County

In 2000, it is forecast that employment will increase 1.4 percent in Latah County. However, employment has decreased 7.7 percent since 1996, and is now below the record level in 1995 of 15,700. Employment peaked in 1995 because of growth in *Trade* and *Services*. Even with employment decreases, Latah County has one of the lowest unemployment rates in Idaho. The University of Idaho (U of I), established in 1889, employs more than 40 percent of all workers in Latah County. The U of I's presence provides economic stability and

insulates the county from national economic cycles. A significant economic indicator for Latah County is the size of the student population at the U of I. In the first half of 2000, student enrollment increased and is expected to increase through the year 2001. As a result, employment at the U of I is expected to increase one percent in the next two years.

In other sectors, employment should increase in *Manufacturing*, *Trade*, and *Services*. Future employment increases in *Manufacturing* will occur because computer software and hardware companies that are currently in the U of I's Business Incubator will be expanding and leaving the incubator for larger facilities. Employment in *Trade* and *Services* will follow increases in the student population at the U of I. Whenever the student population increases so does the demand for workers in *Trade* and *Services*. *Construction* is a significant employment indicator of economic health in Latah County. According to builders and planners in the county, both residential and industrial construction is expected to increase in 2001.

Lewis County

Total employment in Lewis County is forecast to increase in 2000, but by only a few jobs. The number of jobs in *Construction* continued to increase, stimulating the economy in the first half of 2000. *Construction* increased because low land prices allowed people to build houses in Lewis County and commute to work in Lewiston. Three industries, *Agriculture*, *Lumber & Wood Products*, and *Government* dominate Lewis County's economy. Public lands within the county provide recreational opportunities, which help to diversify the economy. Agriculture in 2000 continued its decline. Since 1980, jobs in agriculture have decreased by one third. Wheat prices, at an all time low, are bleak news for an already depressed industry. In *Lumber & Wood Products*, mills in the county have had to temporarily lay off workers because of low wholesale prices and maintenance concerns. However, all of the mills did restart by the end of 2000.

AREA DEVELOPMENTS

Latah County

- A gift store with country flair has opened at the Palouse Mall in Moscow. Market Place Gifts occupies the space that formerly housed the Peppermill, a locally owned store that relocated to Pullman.
- Zumiez is a new store in the Palouse Mall that caters to younger generations with baggy clothes and alternative sports gear. It specializes in high-end brand name clothing, snowboards and skateboards.
- The biggest shopping center in Moscow has completed a \$3 million makeover. Opened in 1979, the Palouse Mall completely renovated the interior and re-landscaped the exterior. Occupancy is near max for the mall this year.
- Ace Truck and Tractor Diesel Repair opened at 2305 South Main in Moscow. They have certified mechanics that can repair all types of gasoline or diesel motors.

Idaho County

- The Hearthstone Lodge, a new bed and breakfast, opened at milepost 64, just west of Kamiah on Highway 12. The Lodge features world-class amenities. Most rooms are furnished in luxurious antiques.
- The Idaho County Free Press in Grangeville is planning a new office and press plant. Site preparation for construction has begun across Highway 95 at the west end of Main Street. The project is scheduled to be completed this winter. The new office and plant will offer improved parking and access and is designed to meet the needs of a modern publishing business.
- Subway in Grangeville will re-open in late November or early December. In addition to the franchise restaurant's well-known sandwiches, owners are planning on offering several new items as well.

Nez Perce and Asotin Counties

- Home Depot, the home improvement mega store, is looking at Lewiston. The company is looking at a site south of Staples that would have to be filled in to provide the 11 acres of flat land it needs for a full-size 115,000-square foot store plus 15-20,000-square feet for a garden department. The company and the city are working on planning and zoning for the fill.
- Owners of Lewiston's Kentucky Fried Chicken are tearing down the restaurant's 1968 building to build a new one on the same site. Needing more room and a drive through window prompted the project. The new building is expected to open around New Year's Day.
- The Nez Perce Tribe is less than a year away from realizing its long-time goal of owning and operating a salmon hatchery. Construction of a \$16 million hatchery complex is under way on tribal property just east of the Cherrylane Bridge on the Clearwater River. When completed in September

of next year, 1.2 million Snake River fall Chinook and 620,000 spring Chinook will be produced at the hatchery. The fish will then be transported to a number of satellite facilities where they will be acclimated to local conditions before being released.

- U-Save Auto Rental and Sales has opened at 604 Bridge Street in Clarkston. The new business caters to customers who need replacement cars either because their own was in an accident or they have relatives in town and don't have a vehicle large enough to hold them. Unlike business travelers who use airport rental services, the downtown location is more convenient for the type of customers U-Save is trying to attract.
- The minimum wage next year in Washington State will be \$6.72 an hour, not \$6.71 as previously reported by the Bureau of Labor and Statistics (BLS). Minimum wage increases in Washington State are tied to the Consumer Price Index (CPI). BLS cited a software problem in their initial calculations of the CPI, which caused the penny error. The new minimum wage takes effect January 1 and applies to workers across Washington state in both agriculture and non-agriculture jobs. The current minimum wage is \$6.50 in Washington, \$5.15 in Idaho and \$5.15 nationally. There are no January 1, 2001 increases for either Idaho or the nation.

SPECIAL TOPIC: PROJECTED EMPLOYMENT OPPORTUNITIES

As the Idaho Department of Labor talks with employers and examines its databases, certain jobs have been determined to be employment opportunities in the future. The definition of "opportunity" includes those occupations that are the fastest growing, those occupations with high employment, and those jobs in high demand. Further, these "opportunity" occupations are those occupations that qualified applicants should have success in obtaining as identified via Job Service job orders. They are also jobs for which employers are unable to find qualified applicants, and new jobs emerging from new business in the region. As shown in Seaport Table 2, projected employment opportunities are listed alphabetically and are not ranked in order. All employment opportunities listed have an excellent outlook. An evaluation of a broader list of 538 occupations can be found at the Idaho Department of Labor home page: <http://www.labor.state.id.us/lmi/wage-survey/lopmenu.htm>.

Seaport Table 2: Projected Employment Opportunities

Accountants and Auditors
Adjustment Clerks
Computer & Support Specialist
Automotive Mechanics and Service Technicians
Bartenders
Bill and Account Collectors
Bookkeeping, Accounting, and Auditing clerks
Carpenters
Cashiers
Child Care Workers
Cooks
Dental Hygienists
Electricians
Food Preparation Workers
Food Service and Lodging Managers
Guards
Heating, Air Conditioning, and Refrigeration Mechanics and Installers
Insurance Claims Clerks
Janitors and Cleaners
Laborers
Maintenance Repairers, General Utility
Medical Assistants
Nursing Aides, Orderlies, and Attendants
Office Clerks, General
Packaging and Filling Machine Operators and Tenders
Painters and Paperhangers
Parts Salespersons
Plumbers
Police Patrol Officers
Receptionists and Information Clerks
Registered Nurses
Salespersons
Roofers
Secretaries
Shipping and Receiving Clerks
System Analysts
Teachers
Truck Drivers
Welders and cutters
Waiters and waitresses

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